



**MILPITAS CITY COUNCIL MEETING AGENDA
JUNE 20, 2006**

**6:00 P.M. (CLOSED SESSION) • 7:00 P.M. (PUBLIC BUSINESS)
455 E. CALAVERAS BOULEVARD**

SUMMARY OF CONTENTS

I. ROLL CALL (6:00 p.m.)

II. ADJOURN TO CLOSED SESSION

(1) CONFERENCE WITH LABOR NEGOTIATORS - COLLECTIVE BARGAINING

(Pursuant to California Government Code Section 54957.6)

City Negotiators: Art Hartinger, Carmen Valdez

Employee Organizations: Milpitas Professional and Technical Group (ProTech), and

International Association of Firefighters (IAFF)

Under Negotiation: Wages, Hours, Benefits, Working Conditions

(2) CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

(Pursuant to California Government Code §54956.9(a))

- City of Milpitas v. Turner Construction et al., Santa Clara County Superior Court Case No. 103CV815946 Consolidated with Case No. 103CV008400
- Preston Pipelines v. City of Milpitas & City of Milpitas v. Black and Veatch Santa Clara County Superior Court Case Nos. 105CV-038444 and 105050145
- City of Milpitas v. City of San Jose, Case No. CV046013, Santa Clara County Superior Court
- Redevelopment Agency of the City of Milpitas v. Winsor et al. Santa Clara County Superior Court Case Nos. 105CV043954 and 105CV043966

III. CLOSED SESSION ANNOUNCEMENTS: Report on action taken in Closed Session, if required pursuant to Government Code §54957.1, including the vote on abstention of each member present

IV. PLEDGE OF ALLEGIANCE (7:00 p.m.)

V. INVOCATION (Councilmember Livengood)

VI. APPROVAL OF MINUTES (June 6 and 13, 2006)

VII. SCHEDULE OF MEETINGS

VIII. PRESENTATIONS

- Proclamation for Parks and Recreation Month in July
- Certificate of Appreciation to Police Officer Joe Heylen
- Commendation to Tram Nguyen – Milpitas High School Leo Club President
- Congratulations to Resident Christina Ramirez and Dispatcher Laura Peterson – 9-1-1 Kids, Inc.
- Presentation by Assemblyman Alberto Torrico – Legislative Matters

IX. PUBLIC FORUM

Members of the audience are invited to address the Council on any subject not on tonight's agenda. Speakers must come to the podium, state their name and city of residence for the Clerk's record, and limit their remarks to three minutes. As an unagendized item, no response is required from City staff or the Council and no action can be taken; however, the Council may instruct the City Manager to agendize the item for a future meeting.

X. ANNOUNCEMENTS

XI. ANNOUNCEMENT OF CONFLICT OF INTEREST

XII. APPROVAL OF AGENDA

XIII. CONSENT CALENDAR (Items with Asterisks)

XIV. PUBLIC HEARINGS

- 1. Entertainment Event Permit Application for the "Celebrate Milpitas" Festival scheduled August 19-20, 2006, Sponsored by the Milpitas Chamber of Commerce (Staff Contact: Mary Lavelle, 586-3001)**
- 2. Adopt Resolution Approving Annual Engineer's Report and the Levying of Assessment: Landscaping and Lighting Maintenance Assessment District No. 95-1, McCarthy Ranch, Project 9474 (Staff Contact: Mehdi Khaila, 586-3328)**
- 3. Adopt Resolution Approving Annual Engineer's Report and the Levying of Assessment: Landscaping and Lighting Maintenance Assessment District No. 98-1, Sinclair Horizon, Project 9489 (Staff Contact: Mehdi Khaila, 586-3328)**

XV. UNFINISHED BUSINESS (None)

XVI. JOINT REDEVELOPMENT AGENCY AND CITY COUNCIL MEETING

RA1. Call to Order by the Mayor/Chair

RA2. Roll Call

RA3. Approval of Minutes (June 6, 2006)

RA4. Approval of Agenda and Consent Calendar

RA5. (1) PUBLIC HEARING

Resolution of the Milpitas Redevelopment Agency Approving a Reuse Report Required By Health & Safety Code §33433, Authorizing the Sale and Lease of Real Property to the County of Santa Clara and Execution of a Disposition And Development Agreement and a Ground Lease, Adopting Findings In Connection with Such Sale And Lease, and Approving Execution of a Reciprocal Easement Agreement

(2) Resolution of the City of Milpitas Authorizing the Sale and Lease of Real Property to the County of Santa Clara, Approving the Reuse Report Required By Health And Safety Code §33433, and Adopting Findings In Connection with Such Sale and Lease (Staff Contact: Diana Whitecar, 586-3059)

RA6. Approval of a Citywide Banner Policy and New Banner Program (Staff Contact: Diana Whitecar, 586-3059)

- *RA7. Appropriate Funds for Second Minor Gateway Sign and Authorize a New Design Concept (Staff Contact: Diana Whitecar, 586-3059)**
- *RA8. Approve Contract with Conley Consulting Group For Services Related to the Industrial Land Inventory and Analysis For An Amount Not To Exceed \$40,000 (Staff Contact: Diana Whitecar, 586-3059)**
- *RA9. Approve Plans and Specifications and Authorize Advertisement for Bid Proposals for the Main Sewage Pump Station Access Improvements, Phase II, Project No. 6079 (Staff Contact: Greg Armendariz, 586-3317)**
- *RA10. Authorize the City Manager to Execute Agreement with TRC Lowney for the Midtown East Parking Garage, Project No. 8161 (Staff Contact: Steve Erickson, 586-3414)**
- *RA11. Approve Parcel Map for the DeVries Site, North Main Street, South of Weller Lane (Staff Contact: Greg Armendariz, 586-3317)**
- *RA12. Authorize (1) payment to Meyers Nave for 2004 Laborers' International Union of North America (LIUNA) negotiations, (2) use of remaining funds from Purchase Order No. DP00470 - Line 2 for General Legal Services expenses for fiscal year 2005-2006, and (3) Transfer of Costs for Property Acquisition for Milpitas Library East Garage Project from General Legal Services budget to the Land Acquisition, Hazmat and Site Preparation Capital Improvement Project - East Garage (Staff Contact: Steven Mattas, 586-3040)**
- *RA13. Approve Amendment to Owner Participation Agreement with DR Horton to Change the Total Number of Units in the Condominium Project from 481 to 464 Units (Staff Contact: Felix Reliford, 586-3071)**
- *RA14. Approve Affordable Housing Documents and Adoption of Resolutions with Findings Pursuant to Redevelopment Law Section 33334.2(g)(1): Use of Housing Funds Outside of the Redevelopment Project Area for Senior Housing Solutions Project (Staff Contact: Felix Reliford, 586-3071)**

RA15. Agency Adjournment

XVII. REPORTS OF OFFICERS, COMMISSIONS, AND COMMITTEES

City Council

- * 4. Approve Mayor's Recommendation For Donation To Milpitas Kiwanis Club For Annual Child Spree Program At Mervyn's (Contact: Mayor Esteves, 586-3029)**
- 5. Planning Commission Alternate -Schedule Date For Applicant Interviews and Appointment of an Alternate Member (Contact: Councilmember Polanski, 586-3024)**

Economic Development Commission

- * 6. Approve the Proposed FY 2006-07 Economic Development Commission Work Plan (Staff Contact: Diana Whitecar, 586-3059)**

Public Art Committee

- 7. Receive Public Art Committee Progress Report and Approve Purpose and Mission Statements (Staff Contact: Kathleen Yurchak, 586-3209)**

Transportation Subcommittee

- * 8. **Receive Staff Report on School Crossing Study – Recommended Policy for Establishment of Adult Crossing Guards (Staff Contact: Jaime Rodriguez, 586-3335)**
- * 9. **Receive Staff Report on the 2006 Traffic Signal Warrant Study Program Findings and Recommendations (Staff Contact: Jaime Rodriguez, 586-3335)**

XVIII. NEW BUSINESS

- 10. **Receive Staff Report on Development and Implementation of the City's Public Information System and the On-Line Commissioner Application Form (Staff Contact: Terry Medina, 586-2703)**
- 11. **Direct Staff to Proceed with Zoning Ordinance Amendment to Allow Farmers' Markets with a Conditional Use Permit (Staff Contact: Tom Williams, 586-3280)**
- 12. **Response to Inquiry Regarding First Responder Communication Capabilities (Staff Contact: Clare Frank, 586-2811)**
- 13. **Report From Staff on Status of KB Construction Home Site and Concerns of Nearby Sylvia Avenue Residents (Staff Contacts: Keyvan Irannejad, 586-3244, Greg Armendariz, 586-3317)**
- * 14. **Accept a \$1,500 Grant from the Milpitas Wal-Mart Store to Fund the FY 06/07 Citizens Emergency Preparedness Advisory Committee (CEPAC) Mass Feeding Drill (Staff Contact: Chris Schroeder, 586-3161)**
- * 15. **Update on the 4th of July Events (Staff Contact: Bonnie Greiner, 586-3227)**

XIX. ORDINANCES

- 16. **Introduce Ordinance No. 38.768 for Zone Change No. ZC2004-1 for a Five Lot Subdivision From Agriculture (A) to Single-Family Residential (R1-6), Located on Southeast Portion of Calaveras and Piedmont Rd at 2015 Calaveras Rd. (APN: 088-16-041), Zoned Agriculture (A) for Applicant Sylvia Leung (Staff Contact: Kim Duncan, 586-3283)**

XX. RESOLUTIONS

- * 17. **Resolution Granting Final Acceptance: Piedmont Road Bike Lane and Sidewalk Improvements at St. John's Cemetery, Project No. 4214 (Staff Contact: Doug De Vries, 586-3313)**
- * 18. **Resolution Granting Final Acceptance of 2004 Street Resurfacing Project, Projects No. 4182 and No. 4223 (Staff Contact: Doug De Vries, 586-3313)**
- * 19. **Adopt a Resolution Approving Thursday, August 3, 2006, As "Milpitas National Night Out" (Staff Contact: Dennis Carrington, 586-3275)**

XXI. BIDS AND CONTRACTS

- * 20. **Authorize the City Manager to Execute an Agreement with Jones Hall for Legal Services Related to Bond Financing (Staff Contact: Emma Karlen, 586-3145)**
- * 21. **Authorize the City Manager to Execute an Agreement with E. Wagner & Associates, Inc. for Financial Advisory Services Related to Bond Financing (Staff Contact: Emma Karlen, 586-3145)**

- * 22. **Approve Plans and Specifications and Authorize the Advertisement for Bid Proposals for Singley Area Street Rehabilitation, Phase IV, Project No. 8181 (Santa Rita Drive), Street Resurfacing Project 2006, Project 4229 (Lomer Way and Holly Way) (Staff Contact: Andrew Brozyna, 586-3315)**
- * 23. **Reject Bids and Authorize Re-Advertisement for Bid Proposals for the Well Upgrade Program, Project No. 7076 – Phase II (Staff Contact: Andrew Brozyna, 586-3315)**
- * 24. **Approve Plans and Specifications and Authorize the Advertisement for Bid Proposals for Montague Expressway Eastbound Median Modification from Piper Drive to Gladding Court, Project No. 4179 (Staff Contact: Greg Armendariz, 586-3317)**
- * 25. **Award the Construction Contract for the 2006 Slurry Seal, Project No. 4229 to American Asphalt Repair and Resurfacing Company, Inc. (Staff Contact: Doug De Vries, 586-3313)**
- * 26. **Approve Agreement Modifying Driveway Access Easement, Shared Community Center and Town Center Access Driveway, Project No. 3153 (Staff Contact: Mehdi Khaila, 586-3328)**
- * 27. **Approve Contract Renewal for Excess Workers' Compensation Insurance (Staff Contact: Carmen Valdez, 586-3086)**
- * 28. **Approve the Second Amendment to the Contract between the City of Milpitas and New Orient Restaurant and Authorize Payment (Staff Contact: Jennifer Tagalog, 586-2786)**
- * 29. **Approve the Second Amendment to the Senior Nutrition Contract with Compass Group USA, Inc. (Bateman Division) and the City of Milpitas and Authorize Payment (Staff Contact: Jennifer Tagalog, 586-2786)**
- * 30. **Approve the Senior Nutrition Contract Between the County of Santa Clara (Social Services) and the City of Milpitas and Authorize Payment (Staff Contact: Jennifer Tagalog, 586-2786)**
- * 31. **Award the Bid for Streetlamp Banners and Hardware to Sierra Display (Staff Contact: Chris Schroeder, 586-3161)**
- * 32. **Request Authorization for Request for Proposals (RFPs) for the Preparation of a Housing Marketing Study (Staff Contact: Felix Reliford, 586-3071)**
- * 33. **Approve Renewal of Software Support and Maintenance Fees with Two Vendors (Staff Contact: Terry Medina, 586-2703)**
- * 34. **Approve Renewal of Annual Software Support and Maintenance Fees with Three Vendors through June 2007 (Staff Contact: Terry Medina, 586-2703)**

XXI. ADJOURNMENT

NOTE: NO CITY COUNCIL MEETINGS IN JULY

**NEXT REGULARLY SCHEDULED COUNCIL MEETING
TUESDAY, AUGUST 1, 2006, AT 7:00 P.M.**

KNOW YOUR RIGHTS UNDER THE OPEN GOVERNMENT ORDINANCE

Government's duty is to serve the public, reaching its decisions in full view of the public.

Commissions, boards, councils and other agencies of the City exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and the City operations are open to the people's review. FOR MORE INFORMATION ON YOUR RIGHTS UNDER THE OPEN GOVERNMENT ORDINANCE OR TO REPORT A VIOLATION OF THE ORDINANCE, CONTACT THE OPEN GOVERNMENT COMMISSION

at the City Attorney's office at Milpitas City Hall, 455 E. Calaveras Blvd., Milpitas, CA 95035

E-mail: rpioroda@ci.milpitas.ca.gov / Fax: 408-586-3030 / Phone: 408-586-3040

A free copy of the Open Government Ordinance is available from the City Clerk's Office or by visiting the City's website www.ci.milpitas.ca.gov, select Open Government Ordinance under News Features.

BECOME A CITY COMMISSIONER!

Currently, there are openings on the following Commissions:

Community Advisory Commission

Economic Development Commission (Hotel Rep)

Planning Commission (alternate)

Mobile Home Park Rental Review Board (alternate)

Citizens Emergency Preparedness Advisory Commission

Arts Commission (alternate)

Applications are available online at www.ci.milpitas.ca.gov or outside the City Council Chambers.

Contact the City Clerk's Office (586-3003) for information.

AGENDA REPORTS

XIV. PUBLIC HEARINGS

- 1. Entertainment Event Permit Application for the “Celebrate Milpitas” Festival scheduled August 19-20, 2006, Sponsored by the Milpitas Chamber of Commerce (Staff Contact: Mary Lavelle, 586-3001)**

Background: Milpitas Chamber of Commerce submitted an application for an Entertainment Event Permit to hold the “Celebrate Milpitas” Festival (formerly called the Art & Wine Summer Festival) along So. Milpitas Boulevard between Los Coches and Turquoise Streets and continuing west on Los Coches on Saturday, August 19, and Sunday, August 20, 2006, from 10:00 a.m. to 6:00 p.m. each day. The application has been reviewed and approved by City departments and the public hearing advertised as required by the City Ordinance.

The Chamber of Commerce is also requesting a waiver of the business license fee, fire inspection fee, electrical permit fee and other potential City fees for the Festival. City Council has the authority to exempt vendors from the requirements for the business license or other related fees. The Council has waived the fees and approved the Entertainment Event Permit in previous years.

For the first time, the Chamber of Commerce has hired an outside festival producer (James Reber) to manage the event this year. Mr. Reber and Chamber representatives will be present at the Public Hearing to answer any questions the City Council may have about the newly re-named event.

Recommendation:

1. Open the Public Hearing for comments.
 2. Close the public hearing.
 3. Waive business license fee and other fees and approve the Entertainment Event Permit for the “Celebrate Milpitas” Festival to be held on August 19 and 20, 2006, as requested by the Milpitas Chamber of Commerce, subject to the conditions noted and receipt of a current certificate of insurance.
- 2. Adopt Resolution Approving Annual Engineer’s Report and the Levying of Assessment for the Landscaping and Lighting Maintenance Assessment District No. 95-1, McCarthy Ranch, Project 9474 (Staff Contact: Mehdi Khaila, 586-3328)**

Background: On June 6, 2006, City Council adopted Resolution of Intention No. 7591 to levy annual assessments for the Landscaping and Lighting Maintenance Assessment District No. 95-1. District provides for the servicing and maintaining the public landscaping and additional lighting along North McCarthy Boulevard and the Gateway feature on Ranch Drive. An annual public hearing is necessary to adopt the Annual Engineer’s Report to provide funds for the district.

The total assessment for the district in the Annual Engineer’s Report is \$265,660.66 for the 2006-07 fiscal year. This assessment is within the previously approved range of assessments and includes the application of the approved annual Consumer Price Index (CPI) escalation.

Recommendation:

1. Open the public hearing, receive any written protests, and hear testimony.
2. Close the public hearing.
3. Adopt Resolution approving Annual Engineer’s Report, Confirm Diagram and assessment and ordering levy of assessments for Fiscal Year 2006-07, for Landscaping and Lighting Maintenance Assessment District No. 95-1.

3. Adopt Resolution Approving Annual Engineer's Report and the Levying of Assessment for the Landscaping and Lighting Maintenance Assessment District No. 98-1, Sinclair Horizon, Project 9489 (Staff Contact: Mehdi Khaila, 586-3328)

Background: On June 6, 2006, City Council adopted Resolution of Intention No. 7592 to levy annual assessments for the Landscaping and Lighting Maintenance Assessment District No. 98-1. The District provides for servicing and maintaining the public landscaping along Sinclair Frontage Road, Los Coches Creek and Berryessa Creek abutting the Sinclair Horizon residential subdivision. An annual public hearing is necessary to adopt the Annual Engineer's Report to provide funds for the district.

The total assessment for the district in the Annual Engineer's Report is \$33,459.16 for the 2006-07 fiscal year. This assessment is within the previously approved range of assessments and includes the application of the approved annual Consumer Price Index (CPI) escalation.

Recommendation:

1. Open the public hearing, receive any written protests, and hear testimony.
2. Close the public hearing.
3. Adopt Resolution approving Annual Engineer's Report, Confirm Diagram and assessment and ordering levy of assessments for Fiscal Year 2006-07, for Landscaping and Lighting Maintenance Assessment District No. 98-1.

XV. UNFINISHED BUSINESS (None)

XVI. JOINT REDEVELOPMENT AGENCY AND CITY COUNCIL MEETING

RA1. Call to Order by the Mayor/Chair

RA2. Roll Call

RA3. Approval of Minutes (June 6, 2006)

RA4. Approval of Agenda and Consent Calendar

RA5. (1) PUBLIC HEARING

Resolution of the Milpitas Redevelopment Agency Approving a Reuse Report Required By Health & Safety Code §33433, Authorizing the Sale and Lease of Real Property to the County of Santa Clara and Execution of a Disposition And Development Agreement and a Ground Lease, Adopting Findings In Connection with Such Sale And Lease, and Approving Execution of a Reciprocal Easement Agreement

(2) Resolution of the City of Milpitas Authorizing the Sale and Lease of Real Property to the County of Santa Clara, Approving the Reuse Report Required By Health And Safety Code §33433, and Adopting Findings In Connection with Such Sale and Lease (Staff Contact: Diana Whitecar, 586-3059)

Background: On December 6, 2005 the City of Milpitas and the Redevelopment Agency (City/Agency) approved the use of the Agency owned property on the west side of Main Street near the Highway 237 offramp for a new County Health Center and directed staff to prepare a Disposition and Development Agreement (DDA) between the County of Santa Clara (County) and the City/Agency for the new Health Center and parking garage. The following are presented for Agency review and consideration:

1. Section 33433 Report

As required by Health & Safety Code Section 33433, the Agency must hold a public hearing prior to the City/Agency taking action on the sale or lease of property acquired with tax increment funds. This Report, Exhibit A, outlines the cost of the agreement to

the Agency, the estimated value of the interest to be conveyed determined by the highest and best use of the land allowed by the redevelopment plan, the estimated value of the interest to be conveyed under the proposed agreement, an explanation of why the sale or lease will assist in the elimination of blight, and the purchase price of the lease payments the purchaser or lessor will make during the term of the agreement.

The Agency acquired the proposed Health Center site on Main Street in 2004 and the proposed Health Center Garage site on Main Street in 2005 for a total of \$3,999,775. The properties were acquired to help revitalize the Milpitas historic commercial core as envisioned by the Midtown Specific Plan and 2003 redevelopment amendment. Use of these properties as an affordable senior housing development, county health care facility and parking garage would re-establish the commercial viability of the North Main Street area along with the re-use of the historic Grammar School as the new Milpitas Public Library and the reconstructed North Main Street streetscape.

The North Main Street streetscape project serves a wide range of public and private uses including the Health Center and Garage. The cost of the street project, estimated at \$6,750,000, is included in the §33433 report as a cost to the Agency for an estimated total project cost of \$10,760,000.

The County will purchase the Health Center site for \$1,862,360, representing \$40.00 per square foot for the actual conveyed interest, as originally defined in the Memorandum of Understanding approved by the City/Agency on September 7, 2004. The County will lease the former Cardoza site for the parking garage for \$1.00 per year for a term of 75 years. The 33433 Report places a present value of the lease at \$10,000. Therefore, Agency revenue from the sale and lease is approximately \$1,870,000. In consideration of the lease, the County agrees to construct the garage and will make parking available to the general public when the Health Center is not in use.

Keyser Marston Associates, Inc., prepared the §33433 report and concluded that medium to high density residential development would command the highest value for the Agency owned property. The value of the highest and best use at \$60 per square foot for the two Agency owned sites is estimated at \$5,420,000. Given the nature of the Health Center use fulfilling a high priority of the City to fill a gap in delivery of health services in Milpitas, it is not unusual for a gap between purchase price and highest private use to exist.

2. Disposition and Development Agreement (DDA)

The County is committed to constructing a 60,000 square foot health center that provides quality services to the citizens of Milpitas. The County will be considering the DDA at its August 8, 2006 meeting and will issue financing bonds for its construction.

The DDA stipulates that conveyance of the Health Center site will occur once the County has provided evidence that they are prepared to issue a notice to proceed with construction. The County has until October 1, 2008 to issue a notice to proceed with construction. County staff requested this flexibility since they are under construction with several other health centers and may need additional time to begin construction of the Milpitas center. Use of the Health Center site is consistent with the Primary Medical Services outlined in the original Memorandum of Understanding and the County agrees that the site will not be used for the operation of detention, jail, probation office, mental health or drug or alcohol rehabilitation facilities.

The Health Center site will share a Common Driveway with the Senior Housing development adjacent to the DeVries site by Mid-Peninsula Housing Coalition. The Senior Housing project was previously approved by the City/Agency in December 2005. As the landowner, the Agency will share in the construction costs of the Common Driveway that is required to allow construction of the Senior Housing development.

Once the Health Center site is conveyed to the County, the County will reimburse the Agency for these costs, with the estimated cost to the Agency of \$50,000.

The County will serve as the permitting agency and will provide plan check and construction inspection services for the Health Center and Garage. Once these facilities are complete, the County will provide the City with a set of as-built drawings of each facility.

The City/Agency has provided the County with all known information on the existing conditions of the sites and the County will have the opportunity to perform its due diligence prior to conveyance. The County will pay to the City utility connection fees of \$288,080, traffic impact fees of \$75,000 and planning application and processing fees of \$20,000 as agreed upon in the MOU. The County will pay prevailing wages for construction.

3. Ground Lease for the Health Center Parking Garage (Exhibit F of DDA)

The Garage will be a 3-story structure with at least 275 parking spaces. The design and exterior will be consistent in quality and appearance with the Health Center and will include a plaza area on the corner of the 237 off ramp and Main Street. The plaza will be compatible in design and materials with the Main Street streetscape. The County will consult with the City regarding the design and provide opportunity for review and comment on the exterior design and appearance. In addition, while the County is the permitting agency, the City will have the opportunity to review and approve the site plan for the purpose of ensuring adequate access for emergency vehicles.

The Health Center is anticipated to be in operation from 7:00 am to 6:00 p.m. Monday through Friday. The Garage will have 275 parking spaces, of which 90 spaces on the first floor will be marked "Reserved" and available only to users of the Health Center at all times. The County will pay traffic impact fees of \$25,920 and planning application fees of \$20,000 for the Garage.

The Ground Lease is for an initial term of 75 years for \$1.00 per year. At the end of the term, the County has the option to purchase the site for \$1,979,775 or the Garage reverts to the Agency. If, during the course of the term, the County decides not to use the Health Center site for government uses, then the County will have the garage site appraised and the Agency will be reimbursed, at the market rate, for the property.

As part of the City/Agency review, County project staff will make a presentation on the design of the new Health Center and parking garage. The design of the Center was reviewed by the City's Planning Commission on June 14, 2006. City staff will give an update of the Planning Commission review as part of the DDA discussion.

Recommendation:

1. Open the Public Hearing.
2. Close the Public Hearing.
3. Approve Resolution of the Milpitas Redevelopment Agency authorizing the Sale and Lease of Real Property to the County of Santa Clara, approving the Reuse Report required by Health and Safety Code Section 33433, and adopting Findings in connection with such Sale and Lease.
4. Approve Resolution of the City of Milpitas authorizing the Sale and Lease of Real Property to the County of Santa Clara, approving the Reuse Report required by Health and Safety Code Section 33433, and adopting findings in connection with such Sale and Lease.

RA6. Approval of a Citywide Banner Policy and New Banner Program (Staff Contact: Diana Whitecar, 586-3059)

Background: For several years, the City has funded and installed promotional or recognition banners along major arterials to celebrate specific City events and programs. Public banners were first installed around the Civic Center to celebrate the December holiday season in 1998. These banners were expanded along Calaveras Boulevard to Park Victoria and Main Street in 1999. Arbor Day and Great American City flag banners were added to celebrate Arbor Day and the 4th of July in 2000, as were the Alliance for Arts funded “ARTitude Awareness” banners to acknowledge the contribution of art to the community. Most recently, special banners were hung as part of the City’s 50th Anniversary celebration.

The City has 157 street light poles with hardware to accommodate banner installations located along Calaveras Boulevard from Park Victoria to 880 and on Main Street from Carlo Street to Curtis Avenue. Currently four banner themes are rotated throughout the year: Arbor Day, 4th of July, ARTitude and Holiday. As part of their annual work program, Public Works crews install and change the banners. In order to gain efficiencies in labor allocation, when one theme banner is removed, the next theme banner in rotation is installed. This usually results in special event banners being displayed for an extended period of time, either prior to the event or after the event is over.

New Banner Proposal: Over the last several months, staff met to discuss strengthening the current banner program to publicize and celebrate Milpitas’ recreational, residential and service amenities. As these discussions ensued, staff realized that by using additional streetlight poles owned by both the City and Caltrans, stronger City gateways could be created without significant expense. As a result, a series of banner designs that focus not on a specific program or event, but rather on the community values offered in Milpitas was created (Exhibit A). This series captures these values with the themes:

1. Live & Work
2. Stay & Play
3. Meet & Greet
4. Stop & Shop

The banners will be used together, creating a vibrant color and message flow for vehicular travelers. The entryway banners are a part of the Economic Development Commission’s goal to improve the image of Milpitas and will demarcate entrances to the City with Meet & Greet and Stop & Shop themes. Live & Work, Stay & Play and Stop & Shop will be rotated into the current banner locations in the City for consistent display. This approach celebrates strong community values fulfilled through the City’s recreation, alternate transportation and recycling services department. Exhibit B shows the proposed schedule for the new banners and how they will work with the existing City banner installations.

Proposed Banner Policy: In recommending the expansion of the banner program, staff also recommends the creation of a citywide banner policy (Exhibit C). The policy addresses locations, scheduling and establishes design, size and quality standards for banner fabrication. Most of the existing banners meet the proposed size criteria (30” x 94”) so that city crews do not have to readjust the banner hardware during banner change-outs. Banners typically have a material life span of 3 – 7 years, depending on the material quality. Instituting a material standard will be another cost saving measure since banners will not need to be replaced as frequently.

Fiscal Impacts:

1. Banner Costs: The cost of the new banners and banner hardware is approximately \$44,000 and is presented to the City Council tonight as part of the Bids and Contracts. These one-time costs will be shared by Economic Development, Recreation Services and Engineering.

2. Installation Costs: Public Works estimates that installation of the new banners and hardware at the City entryways, and the addition of new themed banners to the banner rotation schedule will add nearly 130 hours to their FY 06-07 work program. Approximately 50% of this impact is created by the need to install the new hardware for the City entryways. Public Works will modify their work program to minimize shortfalls in other areas of service.

Next Steps:

With the approval of the new banner policy and designs, staff will then submit the entryway proposals to Caltrans for their review and approval. Staff estimates that this process will take several months as will fabrication of the banners. The goal is to have the new banners installed this fall.

Recommendation: Approve the City-wide banner policy and the new themed banners.

***RA7. Appropriate Funds for Second Minor Gateway Sign and Authorize a New Design Concept (Staff Contact: Diana Whitecar, 586-3059)**

Background: On March 1, 2005, the City Council approved Capital Improvement Project No. 4227 for the Gateway Sign Pilot program and appropriated \$20,000 to cover fabrication and installation of a pilot gateway sign at Piedmont Road and Landess Avenue intersection. Attached is the design that was approved for the pilot sign.

The City's Economic Strategic Action Plan includes as its highest priority the need to improve the image of Milpitas and supports the implementation of the minor gateway sign project. The Action Plan included funds for a second minor gateway sign and upon approval in February 2006, the Council directed staff to identify a location for the second sign in a highly visible commercial/ business area.

Funding for the second minor gateway sign is in the FY 2005-06 Economic Development operating budget. For these funds to be used, the funds need to be appropriated into the existing Gateway CIP No. 4227. In addition to funding a second sign, staff recommends that the Council authorize staff to revise the design to minimize cost and demonstrate a more creative way to acknowledge entry into Milpitas.

Next Steps: If approved by the City Council, staff will develop a new sign concept for Economic Development Commission and Council review and approval.

Recommendation: Appropriate \$25,000 from the FY 2005-06 Economic Development operating budget to CIP No. 4227 and authorize staff to develop a new design concept.

***RA8. Approve A Contract With Conley Consulting Group For Services Related To The Industrial Land Inventory And Analysis For An Amount Not To Exceed \$40,000 (Staff Contact: Diana Whitecar, 586-3059)**

Background: The Economic Strategic Action Plan approved by the City Council on February 7, 2006, included an Industrial Land Use Study and Analysis. The purpose of this study is to understand the impacts of industrial land conversion and potentially consider policies that will allow continued development within the context of balanced land uses.

Staff solicited proposals from three outside firms and individuals to conduct the inventory and conduct analyses. Conley Consulting Group responded by separating the work into two segments: providing the base inventory for approximately \$18,000 and additional work for land use and labor force analysis if requested by staff, for approximately \$22,000.

The cost of this inventory and analysis is considerably less than originally estimated by staff. The most important part of the work, the land inventory, will be completed over the summer and presented to the City Council in August or early September. Planning and Economic Development are the leads in this project, assisted by Finance, Building and Information Services.

Funds are available in the FY 2005-06 Economic Development operating budget for this contract.

Recommendation: Approve the contract with Conley Consulting Group for the industrial land inventory and analysis in an amount not to exceed \$40,000.

***RA9. Approve Plans and Specifications and Authorize Advertisement for Bid Proposals: Main Sewage Pump Station Access Improvements, Phase II, Project No. 6079 (Staff Contact: Greg Armendariz, 586-3317)**

Background: Plans and specifications for the subject project have been completed in accordance with the approved five-year Capital Improvement Program (CIP). The project provides a new driveway and vehicular access route into the main sewage pump station located north of the existing driveway, a median cut on North McCarthy Boulevard, and associated modifications to grading, utilities and landscaping. The new driveway will improve access to public works operations areas and will facilitate upcoming construction of the new pump station.

The Engineers' Estimate for the work is approximately \$190,000, and funds are available in the project budget. A copy of the project plan title sheet is included in the Council's agenda packets. Plans and specifications are available for review in the office of the City Engineer.

Recommendations:

1. Approve plans and specifications for Project No. 6079.
2. Authorize advertising project for bid proposals.

***RA10. Authorize the City Manager to Execute Agreement with TRC Lowney for the Midtown East Parking Garage, Project No. 8161 (Staff Contact: Steve Erickson, 586-3414)**

Background: This project is included in the current five-year Capital Improvement Program (CIP). The completed project will provide a parking garage structure for use by patrons of the Milpitas Library and other Midtown uses. The garage will be located adjacent to the new library and will include 289 parking spaces on four levels.

The project plans and specifications are under review by the Building Department for permit issuance. The project bid pre-qualification package was advertised in May 2006. The City Council approved the list of pre-qualified bidders on June 6th, with monetary construction bids due in July. Ground breaking and the start of project construction are anticipated in August 2006.

Chong Partners is the design architect, and TRC Lowney performed the soil and geotechnical engineering for the project under the Chong Partners' design contract. Staff recommends contracting directly with TRC Lowney to provide the required geotechnical testing and special inspection services for the project during construction in order to maintain TRC Lowney as the Geotechnical Engineer of Record. The work includes special inspection and testing of the foundation system, including approximately 300 piles, and the first floor slab-on-grade. Staff has negotiated a scope and fee for these services not to exceed \$106,000, which is considered reasonable for the work. The project budget is sufficient to cover the costs associated with this agreement.

Recommendation: Authorize the City Manager to execute an agreement with TRC Lowney in the amount not to exceed \$106,000, for the Midtown East Parking Garage Project, Project No. 8161.

***RA11. Approve Parcel Map for the DeVries site at North Main Street, south of Weller Lane (Staff Contact: Greg Armendariz, 586-3317)**

Background: Milpitas Redevelopment Agency is the owner of the subject property located on North Main Street south of Weller (DeVries site), APN No. 22-08-041 and 042. To accommodate the development of this site for Senior Housing and a County Health Center project, it is necessary to create two legal parcels, the subject parcel map will create two parcels for this need. The parcel map has been prepared and ready for approval.

Recommendation: Approve the subject parcel map and authorize the City Manager to execute the Ownership Statement of the parcel map representing Milpitas Redevelopment Agency's consent to the making and recording of this parcel map.

***RA12. Authorize (1) payment to Meyers Nave for 2004 Laborers' International Union of North America (LIUNA) negotiations, (2) use of remaining funds from Purchase Order No. DP00470 - Line 2 for General Legal Services expenses for fiscal year 2005-2006, and (3) Transfer of Costs for Property Acquisition for Milpitas Library East Garage Project from General Legal Services budget to the Land Acquisition, Hazmat and Site Preparation Capital Improvement Project - East Garage (Staff Contact: Steven Mattas, 586-3040)**

Background: During fiscal year 2005-06, the City has been involved in four litigation matters, the costs of which have been allocated to the general legal services purchase order. The total costs of these matters during through May 15 of this fiscal year is \$122,349. In an attempt to minimize overall expenses, the City Attorney's department has charged the costs of these litigation matters to the general legal services purchase order rather than seeking additional authority for the expenses. As the fiscal year is coming to a close, it is apparent that the general legal services purchase order amount is not sufficient to cover the general legal services and these litigation costs for the entire fiscal year.

There are, however, available funds within the previously approved City Attorney's Department budget to cover the remaining general legal services expenses for fiscal year 2005-06. Specifically, there is approximately \$85,000 remaining in the line item attributable to costs for labor arbitrations, grievances, etc. In addition, by reallocating the legal cost (\$30,657.80) of the property acquisition associated with East Garage project from the general legal services budget to the Land Acquisition, Hazmat, and Site Preparation Capital Improvement Project, CIP 8154 (where there are sufficient budgeted funds), there will be sufficient funds to cover the remaining general legal services expenses for this fiscal year without increasing the previously approved City Attorney's Department Budget.

In addition, during Fiscal Year 2004-05, Meyers Nave provided labor negotiations services related to the LIUNA Memorandum of Understanding for mid-management and confidential personnel. Meyers Nave served as labor negotiator for two labor agreements with LIUNA. The first agreement included the time period between September 3, 2003 and June 30, 2004 and the second agreement included the time period between July 1, 2004 through December 31, 2005. Meyers Nave entered into a contract and was paid for the services related to the first agreement. The City and Meyers Nave did not, however, enter into a contract for the second set of negotiations although Meyers Nave did provide those services at a cost of \$25,555. Given the delay in submitting the invoice, it was appropriate to reduce the bill to \$18,000. The City Attorney Subcommittee reviewed this item and recommended approval of the payment. There is available funding under Purchase Order 3482, Line 2, dated 8/23/2004, to fund this payment.

Recommendation: Authorize (1) payment of \$18,000 to Meyers Nave for 2004 LIUNA labor negotiations with funding from Purchase Order No. 3482, Line 2, (2) use of remaining funds from Purchase Order No. DP00470 - Line 2 for General Legal Services expenses for fiscal year 2005-06, and (3) transfer of costs in the amount of \$30,657.80 for property acquisition for the East Garage from the General Legal Services budget to the Land Acquisition, Hazmat and Site Preparation Capital Improvement Project (CIP No. 8154).

***RA13. Approve Amendment to Owner Participation Agreement with DR Horton to Change the Total Number of Units in the Condominium Project from 481 to 464 Units (Staff Contact: Felix Reliford, 586-3071)**

Background: At its meeting on August 16, 2005, the Redevelopment Agency approved the Memorandum of Understanding (MOU) and Owner Participation Agreement (OPA) with Fairfield Great Mall LLC for the development of a 481-unit for-sale condominium project at the southwest corner of South Main Street and Great Mall Parkway. On November 23, 2005, Fairfield Great Mall LLC sold the project to DR Horton, which has changed the project name to "Centria."

Redevelopment Agency assistance was authorized specifically for the development of 100 deed-restricted, affordable housing units. The Agency's assistance also included a development impact fee reduction in the amount of \$400,000 to support and assist the affordable housing units' costs.

In summary, the previous OPA committed a total of \$1.24 million in affordable housing funds for the development of 24 very low, 4 low and 72 moderate-income units. Funds were pledged in the form of grants (\$400,000) and \$840,000 in silent second loans for the very low-income units.

The current proposal request is to amend the OPA to reduce the total number of units in the project from 481 to 464 units. The total number of affordable units will be reduced from 100 to 93 units. The developer desires to revise the housing unit types to reduce the number of 1-bedroom units and to include more 2-bedroom units in the project. Based on the 7.3% reduction in the number of affordable units provided in the project, staff recommends a 7.3% reduction (\$90,520) in the level of financial assistance to the project. Therefore, if the OPA amendment is approved by the Redevelopment Agency, the financial assistance for this project will be reduced from \$1.24 million to \$1.14 million. The new funds will consist of \$770,000 for silent second loans and \$369,560 in developer impact fees. The new mix of affordable housing units will be 22 very low, 4 low and 67 moderate-income units.

Included in the Agency's agenda packet is the amended OPA, reflecting the revised housing unit counts and the financial assistance to the project.

Recommendation: Approve the amended Owner Participation Agreement with DR Horton to authorize the reduction from 481 units to 464 units, with the requirement of 93 total affordable housing units in the project.

***RA14. Approve Affordable Housing Documents and Adoption of Resolutions with Findings Pursuant to Redevelopment Law Section 33334.2(g)(1): Use of Housing Funds Outside of the Redevelopment Project Area for Senior Housing Solutions Project (Staff Contact: Felix Reliford, 586-3071)**

Background: At its meeting on November 15, 2005, the Redevelopment Agency/City Council approved the funding request from Senior Housing Solutions to acquire and rehabilitate a single-family home in Milpitas to accommodate five extremely low-income seniors. Rents would be held at 30% of the resident's income with a target to seniors whose income is \$1,000 per month or less.

In summary, the Affordable Housing Documents (Regulatory Agreement, Grant Development Agreement and Deed of Trust with Assignments of Rents, Security Agreement and Fixture Filing) establish the terms and conditions and commit a total of \$500,000 toward the acquisition of the single-family home and rehabilitation costs. The approved funding consists of the following:

1. \$250,000 RDA 20% Low-Income Housing Set-Aside Funds
2. \$150,000 CDBG Funds

3. \$100,000 Housing Trust Fund Santa Clara County (Approved by County of Santa Clara)

The applicant will also be applying for the Community Development Block Grant (CDBG) Single-Family Rehabilitation Loan Program to financially assist with the required rehabilitation. Staff was informed by Senior Housing Solutions that they have made an offer on a single-family home (background information and address included in the agenda packet) with an estimated July 1, 2006 close of escrow date.

Community Redevelopment Law Section 33334.2 (g)(1) requires that the Redevelopment Agency and Legislative Body adopt findings for the use of the Redevelopment Housing Funds outside of the project area. Since the site location of the single-family home will be located outside of the Project Area, the Agency and Council are required to adopt a resolution of findings justifying the expenditure of funds.

Included in the Council/Agency agenda packet is the background information, affordable housing documents and resolutions of findings with justification for the use of the Redevelopment Agency 20% Housing Set-Aside Funds outside of the Redevelopment Project Area, approved as to form by the City Attorney.

Recommendation

1. Approve Affordable Housing Documents for the Senior Housing Solutions Project.
2. Adopt City Council Resolution of findings pursuant to Community Redevelopment Law Section 33334.2 (g)(1) for use of housing funds outside of Redevelopment Project Area.
3. Adopt Redevelopment Agency Resolution of findings pursuant to Community Redevelopment Law Section 33334.2 (g)(1) for the use of housing funds outside of the Redevelopment Project Area.

RA15. Agency Adjournment

XVII. REPORTS OF OFFICERS, COMMISSIONS, AND COMMITTEES

City Council

- * 4. **Approve Mayor's Recommendation For Donation To Milpitas Kiwanis Club For Annual Child Spree Program At Mervyn's (Contact: Mayor Esteves, 586-3029)**

Background: Mayor Esteves received a written request for a donation to the Milpitas Kiwanis Club for support for its annual program, which enables underprivileged children in the community to start the school year with new school clothes, via a shopping spree at Mervyn's in August. The City Council has generously supported this event over the past several years, and Kiwanis is requesting financial support again this year.

The Finance Subcommittee reviewed the request at its June 7th meeting and recommends funding the request.

If approved, funding would be allocated from the City Council's Community Promotions section of the current Fiscal Year budget.

Recommendation: Approve the Mayor's recommendation of a \$1,500 donation to the Milpitas Kiwanis Club for the annual Child Spree program.

5. **Planning Commission Alternate - Schedule Date For Applicant Interviews and Appointment of an Alternate Member (Contact: Councilmember Polanski, 586-3024)**

Background: On March 7, 2006, the City Council adopted Ordinance No. 273 calling for the new position of alternate member on the Milpitas Planning Commission. 30 days following its

adoption, the ordinance became effective and the City Clerk conducted outreach to attract applicants for the position. Two new applications have been received to date.

From the November 2005 applicant pool for regular member of the Planning Commission, six applications remain current that the City Council may wish to consider for the alternate member.

Recommendation: Schedule a date for the Planning Commission Alternate applicant interviews and appointment of alternate member, in August or September.

Economic Development Commission

- * 6. **Approve the Proposed FY 2006-07 Economic Development Commission Work Plan (Staff Contact: Diana Whitecar, 586-3059)**

Background: Pursuant to the Economic Development Commission (EDC) Bylaws, the EDC advises the City Council on business issues and implementation of a comprehensive economic development program for the City of Milpitas. EDC has taken the Council approved Economic Strategic Action Plan and developed the Commission Work Plan for the upcoming fiscal year.

At its May 8, 2006 meeting, the EDC established four subcommittees: Image, Workforce Development, Business Development and Retail.

1. Image subcommittee will focus on implementation of Goal #1: Improving Milpitas' Image as a Place to Live, Work and Shop,
2. Business Development subcommittee – Goals #4 and #6: Retain and Support the Success of Existing and New Businesses and Diversify Milpitas' Economic Base,
3. Retail subcommittee – Goal #2: Improve Retail Spending Opportunities, and
4. Workforce Development – Goal # 5: Improve Employability of Local Residents.

Goal No. 3: Balance Housing Supply - will be addressed by the Commission as a whole.

The EDC considered the final work plan at its June 12th Commission meeting and will submit it to the Council for review and consideration.

Recommendation: Approve the Proposed FY 2006-07 Economic Development Commission Work Plan.

Public Art Committee

7. **Receive Public Art Committee Progress Report and Approve Purpose and Mission Statements (Staff Contact: Kathleen Yurchak, 586-3209)**

Background: The Public Art Committee (PAC) established through the Public Art Ordinance has conducted three meetings since January 2006 and felt it appropriate to update the City Council on their actions and address items that are time sensitive within the Ordinance. Attached is a detailed memo to accompany the presentation by staff and Chairperson Foulk identifying the PAC's accomplishments and upcoming assignments.

Recommendation: Receive progress report on the Committee's accomplishments and upcoming assignments; and, approve the PAC Mission and Purpose Statements.

Transportation Subcommittee

- * 8. **Receive Staff Report on School Crossing Study – Recommended Policy for Establishment of Adult Crossing Guards (Staff Contact: Jaime Rodriguez, 586-3335)**

Background: Currently, the City has 36 adult crossing guards spread out over 28 intersections. Staff conducted a study to 1) identify establishment criteria used by other agencies for adult

crossing guard deployment, 2) identify the appropriate establishment criteria for adult crossing guard deployment in Milpitas, and 3) to review all school pedestrian crossing and determine if the locations where crossing guards are currently deployed are appropriate or if there are more appropriate locations.

Staff supports the use of a Council adopted policy that properly identifies the establishment criteria for adult crossing guards to provide equity between neighborhoods, schools, and residences and to ensure that locations are measured against the same criteria when crossing guard deployment is being considered. Staff contacted 12 agencies to determine their criteria and studied the existing crossing guard locations in Milpitas. Staff's recommended Criteria for Establishment of Adult Crossing Guards is provided below and includes minimum vehicle and school pedestrian volumes that should both be met for at least one peak period when school pedestrian activity is at its highest per location.

Milpitas - Recommended Criteria for Establishment of Adult Crossing Guards

Intersection Control Type	Minimum Vehicle Volume	Minimum School Pedestrian Volume	Minimum No. of Peak Period's Criteria Should be Met*	Special Factors to be Considered
Traffic Signal	300**	40	1	See Below
All-Way or Minor St STOP Control	500	40	1	See Below
Uncontrolled	350	40	1	See Below

* Peak Period identified through traffic data

** Conflicting volumes only.

The use of vehicle and pedestrian volume thresholds should not be the only deciding factor when the establishment of crossing guards is being considered. Special Factors should be identified and adopted, so that staff consistently and equitably evaluates school crossing locations in the same manner. Staff recommended Special Factors include:

Special Factors – Engineering

Sight Distance: When the proposed school crossing location is not consistently visible by all approaches for the vehicle stopping distance of each approach, based on posted speed limits, crossing guards should be considered.

High Pedestrian Volumes: When there are at least 60 school pedestrians during each peak period and at least 70% of the required vehicle volumes during each peak period, crossing guards should be considered.

Crash History: When correctible bike/pedestrian crashes or a high occurrence of vehicle crashes has occurred at an intersection within a 24-month period, engineering judgment should be used to determine if the use of a crossing guard may help enhance school pedestrian safety.

Complex Geometric Design: At intersections with offset or oblique approaches exist, crossing guard should be considered.

Safety: When engineering judgment identifies a location(s) for crossing guard deployment based on any of the above elements or other unusual conditions, crossing guards should be considered.

Special Factors – Quality of Life

City Council Support: When the City Council identifies a location as an appropriate school crossing location with crossing guard support to sustain the quality of life of the community, pending funding.

Chief of Police: When the Chief of Police identifies a location as an appropriate school crossing location with crossing guard support to sustain the quality of life of the community, pending funding.

After comparing the recommended establishment criteria against the existing crossing guard locations, only one location was identified that did not meet the criteria, Abel St & Great Mall Pkwy. Staff did identify another location though that does meet the establishment criteria, Escuela Pkwy & Jacklin Rd. Staff recommends that crossing guards from Abel St & Great Mall Pkwy be redeployed to Escuela Pkwy & Jacklin Rd starting with the 2006-07 school year.

Recommendation: Receive Staff Report on School Crossing Study – Recommended Policy for Establishment of Adult Crossing Guards.

* 9. **Receive Staff Report on the 2006 Traffic Signal Warrant Study Program Findings and Recommendations (Staff Contact: Jaime Rodriguez, 586-3335)**

Background: The City's traffic signal warrant program is used to proactively identify intersections that may be appropriate for installation of a traffic signal. The last traffic signal built by the City was at Barber Lane & Bellew Drive and it was identified as appropriate for a traffic signal during the 2000 Traffic Signal Warrant Study program.

19 intersection locations were studied in this year's program. 14 intersections were studied directly by the traffic signal warrant program. The other 5 locations were studied as part of Traffic Impact Analysis (TIA) study completed through Capital Improvement Program (CIP) and developer-funded projects but their findings are provided for documentation purposes. The studied locations and results are as follows:

No.	Intersection Name (alphabetical order)	Existing Traffic Controls	Traffic Signal Should be Considered
City Traffic Signal Warrant Program Study Locations			
1	Abbott Av & Marilynn Dr	All-Way STOP	No
2	Arizona Av & Dixon Rd	All-Way STOP	No
3	Arizona Av & Washington Dr	All-Way STOP	No
4	Calaveras Blvd & Evans Rd	All-Way STOP	No
5	Escuela Pkwy & Russell Ln	STOP on Russell Ln	Yes
6	Escuela Pkwy & Washington Dr	STOP on Escuela Pkwy	Yes
7	Hillview Dr & Los Coches St	All-Way STOP	No
8	Hillview Dr & Yosemite Dr	STOP on Hillview Dr	No
9	Kennedy Dr & N Park Victoria Dr	All-Way STOP	No
10	Milpitas Blvd & Silverlake Dr	STOP on Silverlake Dr	No
11	Milpitas Blvd & Tramway Dr	STOP on Tramway Dr	No
12	Milpitas Blvd & Wilson Wy	STOP on Wilson Wy	No
13	Mt Shasta Av & S Park Victoria Dr	STOP on Mt Shasta Av	No
14	Vista Wy & Yosemite Dr	STOP on Vista Wy	No
City Traffic Signal Warrant Program Study Locations			
15	Abel St & K-B/Post Office	Traffic Signal Appropriate:	Yes
16	Calaveras Blvd & Carnegie Dr	Traffic Signal Appropriate:	Yes
17	Carlo St & N Main St	Traffic Signal Appropriate:	No
18	Corning Av & S Main St	Traffic Signal Appropriate:	No
19	N Main St & SR237 Off-Ramp	Traffic Signal Appropriate:	Yes

Even though the intersections of Escuela Pkwy & Russell Ln and Escuela Pkwy & Washington Dr meet the State-suggested criteria for installation of a traffic signal, staff recommends that rather than install a traffic signal that pedestrian push-button activated flashing beacons be installed instead and that further studies of the entire Escuela Pkwy/Washington Ave/ Arizona Ave corridor be completed. The pedestrian push-button activated flashing beacons at Escuela Pkwy & Russell Ln will be installed in July 2006. Grant-funding opportunities for additional equipment at Escuela Pkwy & Washington Dr will be pursued.

The traffic signal at the Abel St & K-B/Post Office intersection will be constructed prior to the completion of the K-B residential projects. At Calaveras Blvd & Carnegie Dr, the traffic signal project is on-hold pending funding for the Milpitas Sports Center Improvement projects. The N Main St and SR237 Off-Ramp traffic signal will be completed with the N Main St Streetscape Improvements project.

Recommendation: Receive staff report on the 2006 Traffic Signal Warrant Study Program Findings and Recommendations.

XVIII. NEW BUSINESS

10. Receive Staff Report on Development and Implementation of the City's Public Information System and the On-Line Commissioner Application Form (Staff Contact: Terry Medina, 586-2703)

Background: On April 5, 2005 the City Council added Chapter 310 of Title 1 to the City of Milpitas Municipal Code entitled the "City of Milpitas Open Government Ordinance". The ordinance provides specific action items related to the release of information to the public in addition to the conduct of meetings, filing of various reports and identifies various sources of information that should be available to the public. One of the sources of information that is specifically mentioned involves usage of the internet to disseminate information to the public.

In June 2005, staff developed an on-line application that allows the City Council, City Manager and Planning Commissioners to maintain an electronic calendar of the events that they attend related to City business. The electronic calendar entitled the "City Officials' Event Calendar" is available on the City's website and can be accessed 24 hours a day, 7 days a week. Since the implementation of the "City Officials' Event Calendar" staff have been working on two additional applications related to accessing City records and the ability to electronically submit an application for any City Commission or Committee.

Staff will provide the Council with a brief presentation on the City's Public Information System and the On-line Commission / Committee application.

Recommendation: Receive staff report.

11. Direct Staff to Proceed with Zoning Ordinance Amendment to Allow Farmers' Markets with a Conditional Use Permit (Staff Contact: Tom Williams, 586-3280)

Background: The Milpitas Farmers' Market closed almost a year ago because of construction in the Milpitas Town Center. The Town Center location is no longer available for the Farmers' Market to use in the future because the owners of the Town Center no longer want to lease their property to the Farmers' Market. The Pacific Coast Farmers' Market Association is continuing to search for a new site including the possibility of locating on property owned by the Milpitas Unified School District on E. Calaveras Boulevard.

Pursuant to the City's zoning code, currently the Town Center (TC) zone is the only zone that allows a Farmers' Market. At the June 6 Council meeting, Councilmember Polanski requested that staff proceed with appropriate zoning ordinance amendments that would allow Farmers' Markets with a Conditional Use Permit. Conditional Use Permits require a public hearing before the Planning Commission.

1. The City Council may direct staff to amend Section 57 of the zoning code to allow a Farmer's Market in any zone throughout the City provided a Use Permit is obtained or the Council can establish the use by right;
2. The City Council can direct staff to amend Section 39 of the zoning code to allow a Farmers' Market specifically in the Parks and Public Open Space District (as designated in the City's General Plan), provided a Use Permit is obtained or again, simply allow it by right.

With either of these alternatives, it is important to note that the process and future action by the Council is not a re-zone of a particular piece of property but a more generalized amendment to the zoning code allowing a Farmers' Market either by right or by Use Permit in all zones or a specific zone as may be desired by the City Council.

Recommendation: Provide appropriate direction to staff with regard to zoning for a Farmers Market.

12. Response to Inquiry Regarding First Responder Communication Capabilities (Staff Contact: Clare Frank, 586-2811)

Background: At the City Council meeting on June 6, a citizen expressed concern about First Responder readiness, specifically inquiring about Milpitas' communications infrastructure and capabilities in the event of an earthquake or other major disaster. Milpitas has a newly upgraded emergency communications system, field redundancy, and mutual aid program participation that enhances its ability to effectively communicate during a large scale disaster. These local capabilities provide a high-level of interoperability among first responders in Milpitas, and continued improvement in interoperability at the regional, state, and federal levels remains a top priority for county, state, and federal officials.

Recommendation: Receive staff report from the Fire Chief.

13. From Staff on Status of KB Home Construction Site and Concerns of Nearby Sylvia Avenue Residents (Staff Contacts: Keyvan Irannejad, 586-3244, Greg Armendariz, 586-3317)

Recommendation: Hear oral staff report.

- * 14. **Accept \$1,500 Grant from Milpitas Wal-Mart Store to Fund the FY 2006-07 Citizens Emergency Preparedness Advisory Committee (CEPAC) Mass Feeding Drill (Staff Contact: Chris Schroeder, 586-3161)**

Background: The City of Milpitas conducts annual Emergency Operations Center (EOC) exercises, which include the Citizens Emergency Preparedness Advisory Committee (CEPAC) mass feeding exercise, involving more than 750 school children and EOC personnel during its annual drill. The Wal-Mart store located in Milpitas has offered a grant to the City for \$1,500 toward the purchase of food and supplies for the 2007 exercise. This is a “one time” grant that does not require matching funds from the City. The City will not incur on-going staff costs to administer and prepare reports for this grant, as it is not a requirement of Wal-Mart.

Recommendation: Approve additional budget appropriation in Purchasing Division FY06-07 budget, and allow Purchasing to administer the funds for the 2007 CEPAC mass feeding drill.

- * 15. **Update on the 4th of July Events (Staff Contact: Bonnie Greiner, 586-3227)**

Background: The Red, White and BOOM 4th of July events are scheduled for Tuesday, July 4, 2006. The event schedule consists of a parade on Main Street beginning at 11:00 am followed by a pool party at the Milpitas Sports Center from 1:00 - 5:00 pm. To conclude the day's events, the fireworks show at the Milpitas Sports Center will take place with gates opening at 7:30 pm. Local band "The Silicon Valley Houserockers" will perform from 8:00 - 9:15 pm followed by the fireworks show at 9:30 pm.

To date, staff has received 40 parade entries with approximately 550 participants. The majority of the entries are composed of walking groups or vehicles.

Recommendation: Receive staff report.

XIX. ORDINANCES

16. **Introduce Ordinance No. 38.768 for Zone Change No. ZC2004-1 for a Five Lot Subdivision from Agriculture (A) to Single-Family Residential (R1-6), Located on Southeast Portion of Calaveras and Piedmont Roads At 2015 Calaveras Rd (APN: 088-16-041), Zoned Agriculture (A) for Applicant Sylvia Leung (Staff Contact: Kim Duncan, 586-3283)**

Background: On May 2, 2006, the City Council made findings and approved a Zone Change (No. ZC2004-1) from Agricultural (A) to Single-Family Residential (R1-6) in conjunction with a five (5)-lot subdivision (MA2004-3) of an approximately .95 gross acre parcel for the purpose of creating new single-family lots. According to the Milpitas General Plans Land Use/Zoning Consistency Table (Table 2-3), the Agriculture zoning designation is interim zoning for Single Family Low Density and rezoning is required prior to redevelopment. Pursuant to State Government Code, legislative actions, such a rezoning of land requires an ordinance as the legal vehicle of approval. Therefore, in order to comply with State Code, staff is requesting the Council to introduce Ordinance 38.768 for the approved Zone Change for the Calaveras Country Estates subdivision.

Recommendations:

1. Waive first reading of Ordinance No. 38.768 beyond the title.
2. Introduce Ordinance No. 38.768 for the previously approved Zone Change No. ZC2004-1 for the Calaveras Country Estates Subdivision.

XX. RESOLUTIONS

- * 17. **Resolution Granting Final Acceptance of the Piedmont Road Bike Lane and Sidewalk Improvements at St. John's Cemetery, Project No. 4214 (Staff Contact: Doug De Vries, 586-3313)**

Background: This project, which was initially accepted on March 15, 2005, has passed the one-year warranty period. A satisfactory final inspection has been made of the public improvements that include roadway widening, sidewalks and landscaping along Piedmont Road. Therefore, the Council may grant final acceptance and the contractor's bond may be released.

Recommendation: Adopt Resolution granting final acceptance and release of the bond for Project No. 4214.

- * 18. **Resolution Granting Final Acceptance of the 2004 Street Resurfacing Project, Projects No. 4182 and No. 4223 (Staff Contact: Doug De Vries, 586-3313)**

Background: This project, which was initially accepted on March 15, 2005, has passed the one-year warranty period. A satisfactory final inspection has been made of the public improvements that include street patching, paving, slurry seal and striping. Therefore, the Council may grant final acceptance and the contractor's bond may be released.

Recommendation: Adopt Resolution granting final acceptance and release of the bond for Projects No. 4182 and No. 4223.

- * 19. **Adopt Resolution Approving Thursday, August 3, 2006, As "Milpitas National Night Out" (Staff Contact: Dennis Carrington, 586-3275)**

Background: National Night Out is a unique crime and drug prevention event where citizens in participating neighborhoods gather for a block party and other activities in order to become better acquainted and make neighborhoods safe. National Night Out is a coordinated effort between Police and community members to form a partnership in order to learn better how to prevent crime in neighborhoods. This year marks the 23rd Annual National Night Out sponsored by the National Association of Town Watch (NATW). The event is scheduled on the first Tuesday of August every year by the NATW. Since the Milpitas City Council meets on the first Tuesday of the month and because members of the City Council have typically desired to attend neighborhood block parties, Milpitas' celebration of the event has been held on the following Thursday. Milpitas' Community Advisory Commission is therefore recommending that the City Council designate Thursday August 3, 2006, for the community to gather and celebrate "Milpitas National Night Out."

Recommendation: Adopt Resolution approving Thursday, August 3, 2006, as "Milpitas National Night Out."

XXI. BIDS AND CONTRACTS

- * 20. **Authorize the City Manager to Execute an Agreement with Jones Hall for Legal Services Related to Bond Financing (Staff Contact: Emma Karlen, 586-3145)**

Background: The fiscal year 2006-07 Capital Improvement Program Budget includes the financing of the Main Sewage Pump Station Improvement Project through issuance of bonds. In order to proceed with the project and issuance of bonds, the City needs to engage the services of a bond counsel and a disclosure counsel.

The law firm of Jones Hall has served the City and the Redevelopment Agency as bond counsel on a number of successful bond financings in the past. Based on this relationship, staff has

requested a proposal from the firm. Jones Hall is a firm comprised of thirteen attorneys, all of whom practice exclusively in the area of municipal finance as bond counsel, underwriter's counsel, disclosure counsel, and special tax counsel. They are one of the most active municipal finance firms in the country and are nationally recognized for their expertise on tax exempt financing. Staff has enclosed a copy of their proposal in the Council's packet for the City Council's reference.

The firm's standard fees for bond counsel service is based on a percentage of the principal amount of the bond. Staff was able to negotiate a discount of \$10,000 for the disclosure counsel service. Staff estimates that the total fees for bond counsel and disclosure service, including any reimbursable expenses, will be approximately \$72,500. The fees are on a contingent basis. If the financing is not closed, no fees will be paid for the work provided on the financing. Fees are paid out of bond proceeds as a cost of issuance.

Recommendation: Authorize the City Manager to execute an agreement with Jones Hall for legal services related to bond financing, subject to approval as to form by the City Attorney.

- * 21. **Authorize the City Manager to Execute an Agreement with E. Wagner & Associates, Inc. for Financial Advisory Services Related to Bond Financing (Staff Contact: Emma Karlen, 586-3145)**

Background: The fiscal year 2006-07 Capital Improvement Program Budget includes the financing of the Main Sewage Pump Station Improvement Project through issuance of bonds. In order to proceed with the project and issuance of bonds, the City needs to engage the services of a financial advisor to assist with the issuance of bonds, and marketing and placing the securities with underwriters nationwide.

E. Wagner & Associates, Inc. has served the City and the Redevelopment Agency as financial advisor on a number of successful bond financings in the past. Based on this relationship, staff has requested a proposal from the firm. E. Wagner & Associates, Inc. is a full service investment banking firm that specializes in the underwriting of municipal securities and providing financial advisory services to California municipalities and public entities. Some of the firm's clients include the cities of San Jose, San Leandro, San Bruno, Martinez, Sacramento, Cupertino and Los Gatos. Emily Wagner will be the principal of the firm responsible for the City's financing. Ms. Wagner has twenty-nine years of experience in investment banking and public finance. Staff has enclosed a copy of their proposal in the Council's packet for the City Council's reference.

The firm's standard fees for financial advisory service are based on the principal amount of the bond. Staff estimates that the total fees for this service including any reimbursable expenses, will be approximately \$50,000. The fees are on a contingent basis. If the financing is not closed, no fees will be paid for the work provided on the financing. Fees are paid out of bond proceeds as a cost of issuance.

Recommendation: Authorize the City Manager to execute an agreement with E. Wagner & Associates, Inc. for financial advisory services related to bond financing, subject to approval as to form by the City Attorney.

- * 22. **Approve Plans and Specifications and Authorize the Advertisement for Bid Proposals for Singley Area Street Rehabilitation, Phase IV, Project No. 8181 (Santa Rita Drive), Street Resurfacing Project 2006, Project 4229 (Lomer Way and Holly Way) (Staff Contact: Andrew Brozyna, 586-3315)**

Background: Plans and specifications for the subject project have been completed in accordance with the approved five-year Capital Improvement Program (CIP). The project will provide drainage improvements at Santa Rita Drive/Via Baja in the Singley Drive neighborhood. More specifically, the project involves reconstruction of sections of pavement, sidewalks, curb and gutter along Santa Rita Drive from Via Baja northwards to the cul de sac. This project also

includes necessary resurfacing of Holly Way and Lomer Way. Approximately three inches of the existing street pavement at Holly Way and Lomer Way will be removed and replaced with new asphalt concrete.

The Engineer's estimate for the work is approximately \$230,000. A copy of the project plan title sheet is included in the Council's agenda packets. Complete plans and specifications are available for review in the office of the City Engineer.

Recommendation:

1. Approve plans and specifications for Project Nos. 8181 and 4229.
2. Authorize advertising for bid proposals.

*** 23. Reject Bids and Authorize Re-Advertisement for bid Proposals for the Well Upgrade Program, Project No. 7076 – Phase II (Staff Contact: Andrew Brozyna, 586-3315)**

Background: The program provides for the construction of a new well pump building at Curtis Park, including a new well pump and tie-in to the City's water system, emergency power generation system, and chlorination/ammoniation system at Pinewood Park. On February 21, 2006, the City Council approved the project plans and specifications and authorized the advertisement for construction bid proposals.

The project advertised and two sealed bid proposals were opened on June 7, 2006 for \$2,275,850 and \$2,553,300. The lowest responsive bid of \$2,275,850 was from Anderson Pacific. The bid exceeded the Engineer's Estimate by \$475,850, which is approximately 26% above the estimate. The discrepancy between the low bid and the Engineer's estimate was most likely due to a saturated construction market. There are a lot of backlogged work due to the long wet winter and sudden summer weather. There are insufficient funds in the project budget to award the contract. Additional funding from the water fund reserves is not available. Therefore, staff recommends rejecting all bids and repackaging the project with a reduced work scope to include the necessary upgrades of the chlorination/ammoniation system at Pinewood Park, and re-advertise the reduced scope for new bids.

Recommendation:

1. Reject all bids for Project No. 7076.
2. Authorize the re-advertisement of the project for bid proposals.

*** 24. Approve Plans and Specifications and Authorize the Advertisement for Bid Proposals for Montague Expressway Eastbound Median Modification from Piper Drive to Gladding Court, Project No. 4179 (Staff Contact: Greg Armendariz, 586-3317)**

Background: Plans and specifications for the subject project have been completed in accordance with the approved five-year Capital Improvement Program. The project provides for a continuous fourth through lane from Piper Drive to Gladding Court and pedestrian improvements along eastbound Montague at Union Pacific Railroad crossing and Wrigley Creek crossing.

The Engineer's Estimate for the work is approximately \$145,000, and funds are available in the project budget. A copy of the project plan title sheet is included in the Council's agenda packets. Complete plans and specifications are available for review in the office of the City Engineer.

Recommendation:

1. Approve plans and specifications for Project No. 4179.
2. Authorize advertising project for bid proposals.

*** 25. Award Construction Contract for the 2006 Slurry Seal, Project No. 4229, to American Asphalt Repair and Resurfacing Company, Inc. (Staff Contact: Doug De Vries, 586-3313)**

Background: On May 16, 2006 the City Council approved the project plans and specifications and authorized the advertisement for construction bid proposals. This project provides slurry seal on Kizer Street, Rivera Street, Helfin Street, Tice Drive, Park View Drive, Park Heights Drive, Park Grove Drive, Park Hill Drive, Dolores Drive, and Mattos Drive. The Engineer's Estimate was \$139,000. The project was advertised and sealed bid proposals were opened on June 6, 2006. Three bid proposals were received ranging from \$158,721 to \$177,887. The lowest responsible bidder is American Asphalt Repair and Resurfacing Company, Incorporated.

Sufficient funds are available in the project budget to award this project.

Recommendation: Award Construction Contract to American Asphalt Repair and Resurfacing Company, Inc. for Project No. 4229, in the amount of \$158,721.

- * 26. **Approve Agreement Modifying Driveway Access Easement, Shared Community Center and Town Center Access Driveway, Project No. 3153 (Staff Contact: Mehdi Khaila, 586-3328)**

Background: The renovation of Milpitas Town Center was approved by City Council at its meeting of May 10, 2004. The renovation includes demolition and redevelopment of the shopping center to accommodate a 54,000 square foot Safeway. Construction has commenced with an anticipated completion in 2007. The shared driveway between the City of Milpitas and Town Center will be relocated to accommodate the renovation of Milpitas Town Center and improve traffic circulations. The shared driveway was modified previously as part of the City Hall Reconstruction and is subject to the executed Easement and Agreement Regarding Driveway. The Agreement Modifying Driveway Access Easement has been prepared to accommodate the new driveway location and is now ready for approval.

Recommendation: Approve the agreement modifying driveway access easement, shared Community Center and Town Center access driveway, Project No. 3153.

- * 27. **Approve Contract Renewal for Excess Workers' Compensation Insurance (Staff Contact: Carmen Valdez, 586-3086)**

Background: The City carries excess workers' compensation insurance in accordance with state law. Our insurance broker, Brown & Brown of California was able to obtain coverage through C.N.A. Insurance Corporation for fiscal year 2006-07. Last year, fiscal year 2005-06, the cost of the excess workers' compensation was \$198,607. This year staff was quoted an overall rate decrease of .18%. The City's self-insured retention is \$1,000,000 for safety employees and \$750,000 for miscellaneous employees. The renewal premium for Fiscal Year 2006-07 is \$180,359 and is based on the City's payroll.

Recommendation: Approve acceptance of C.N.A. Insurance Corporation for the City's excess workers' compensation insurance for FY 2006-07, authorizing the City Manager to pay Brown & Brown of California the premium rate of \$180,359.

- * 28. **Approve the Second Amendment to the Contract between the City of Milpitas and New Orient Restaurant and Authorize Payment (Staff Contact: Jennifer Tagalog, 586-2786)**

Background: The City of Milpitas has contracted with New Orient Restaurant to provide Asian meals twice a week at the Senior Nutrition Program offered at the Milpitas Senior Center since July 1, 2004. Enclosed in the Council's packet is the second Amendment to the contract between the City of Milpitas and New Orient Restaurant, a County of Santa Clara Nutrition Program approved restaurant. All funds have been budgeted in the County of Santa Clara's Senior Nutrition Program budget and Recreation Services FY 2006-07 operating budget. The total budget for the 7,680 meals is \$28,416, which does not include the price of milk and the amendment to the contract stipulates invoicing will not exceed \$3.70 per meal. Our current caterer, Bateman, will serve the remaining 12,240 meals.

The City of Milpitas has contracted with the County of Santa Clara in implementing the Senior Nutrition Program since March 1978. The Program serves seniors, age sixty years and older, 249 days per year, an average of 80 meals per day, for a total of 19,920 meals per year for both the Asian meals and the meals catered by Bateman. This contract is subject to approval as to form by the City Attorney.

Recommendations: (1) Approve the second Amendment to the contract between the City of Milpitas and New Orient Restaurant from July 1, 2006, through June 30, 2007, for the Senior Nutrition Program.

(2) Authorize payment to New Orient Restaurant for the total amount of this contract, \$28,416, not to exceed \$3.70 per meal. Sufficient funds have been budgeted in Recreation Services operating budget for FY 2006-07, and was approved by the City Council on June 6, 2006.

- * 29. **Approve the Second Amendment to the Senior Nutrition Contract with Compass Group USA, Inc. (Bateman Division) and the City of Milpitas and Authorize Payment (Staff Contact: Jennifer Tagalog, 586-2786)**

Background: The City of Milpitas has contracted with the County of Santa Clara in implementing the Senior Nutrition Program since March 1978. Compass Group USA, Inc. known as Bateman has been catering the Senior Nutrition Program since July 1, 1998. The program serves seniors, age sixty years and older, and Bateman meals will be served 150 days per year, an average of 80 meals per day, for a total of 12,240 meals per year.

Enclosed in the Council's packet is the Second Amendment to the Contract, between Bateman and the City of Milpitas, which details the specifications of the contract terms for July 1, 2006 through June 30, 2007, for the Senior Nutrition Program food costs totaling \$46,390. Bateman agrees to provide meals at \$3.79 each, which will not exceed the approved budgeted amount of \$46,390, for FY 2006-2007. The contract is subject to approval as to form by the City Attorney.

Recommendation:

1. Approve the second amendment to the contract with Compass Group.
2. Authorize payment to Bateman, Compass Group USA, Inc. for July 1, 2006 through June 30, 2007, not to exceed \$3.79 per meal for a total of \$46,390 for the fiscal year. Sufficient funds have been approved in Recreation Services' FY 2006-07 operating budget.

- * 30. **Approve the Senior Nutrition Contract Between the County of Santa Clara (Social Services) and the City of Milpitas and Authorize Payment (Staff Contact: Jennifer Tagalog, 586-2786)**

Background: The City of Milpitas has contracted with the County of Santa Clara to implement the Senior Nutrition Program since March 1978. The Program serves seniors, age sixty years and older and serves an average of 80 meals per day, 249 days per year, for a total of 19,920 meals per year. Enclosed in the Council's agenda packet is a copy of the Contract between the County of Santa Clara (Social Services) and the City of Milpitas, which has been approved as to form by the City Attorney. The total budget for the FY 2006-07 Nutrition Program, shared by the City of Milpitas and County of Santa Clara, is \$145,702. As outlined in the County's contract, the City's contribution to the program is 50% of the budget or \$72,851, which is included in Recreation Services' operating budget and has been approved by the City Council on June 6, 2006. The term of the contract with the County is for the period of July 1, 2006 – June 30, 2007. This contract is subject to approval as to form by the City Attorney.

Recommendation:

1. Approve the contract between the County of Santa Clara (Social Services) and the City of

Milpitas effective July 1, 2006, through June 30, 2007.

2. Authorize payment to the County of Santa Clara for the amount of the contract, \$145,702.

* **31. Award the Bid for Streetlamp Banners and Hardware to Sierra Display Inc. (Staff Contact: Chris Schroeder, 586-3161)**

Background: On May 26, 2006, staff went out for bids for assorted streetlamp banners and hanging hardware. Bids were advertised in the Post, mailed to eight vendors on the City's vendor data base, and posted on the City's website.

Three vendors responded and are summarized below.

	Base Bid
Flag Crafters	\$33,900.60*
Sierra Display, Inc.	<u>\$43,952.00</u>
Main Street Banner	\$61,690.00*

*Did not meet minimum warranty requirements.

(There is sufficient joint funding from the operating budgets of Economic Development, Traffic Engineering, and Recreation Services and Department of Conservation Grant Funds for this purchase.)

Recommendation: Award the bid for 270 streetlamp banners to Sierra Display, Inc. for the not to exceed amount of \$47,522.35, including tax and freight.

* **32. Request Authorization to send out Request for Proposals (RFPs) for the Preparation of the Housing Marketing Study (Staff Contact: Felix Reliford, 586-3071)**

Background: At its meeting on April 18, 2006, the City Council approved the authorization to send out Request for Proposals (RFPs) for the preparation of the state-mandated General Plan Housing Element. The Housing Element was previously due to the State of California, Department of Housing and Community Development (HCD) on June 30, 2007. However, since that time period, staff has been informed that Association of Bay Area Governments (ABAG) and HCD have agreed to extend the Bay Area cities and counties housing element deadline until June 30, 2009. ABAG receives funding through the State of California to prepare the Regional Housing Needs Determination (RHND), which is required by state housing element law. Since the State of California did not provide funds for this analysis until recently, the housing element deadline was agreed to be extended. The RHND analysis takes several housing and economic market factors (age of housing stock, job/housing balance, population, etc.) into consideration in determining each city's and county's regional fair share allocation of housing requirements.

Part of the City Council's approval on April 18 was to include a Housing Marketing Study as part of the comprehensive preparation of the housing element. However, since the housing element process has been extended and staff will not send out the RFPs for the housing element until 18 to 24 months from now, staff requests authorization to proceed with the housing marketing study. The housing marketing study will address the following issues:

1. Housing market conditions (existing and future trends)
2. Land use analysis to support housing conditions
3. Supply and demand of housing types
4. Characteristics of the Milpitas housing market
5. Land use fiscal analysis
6. Need and demand for executive level homes within the City

The housing marketing study will be required to be updated in two years, during the preparation of the General Plan Housing Element. It is estimated that the Housing Market Study to address

these issues will cost between \$35,000 and \$50,000. Included in the Council agenda packet is a copy of the Request for Proposal for the Housing Marketing Study.

Recommendation: Authorize staff to send the Request for Proposals for the preparation of the Housing Marketing Study.

* **33. Approve Renewal of Software Support and Maintenance Fees with Two Vendors (Staff Contact: Terry Medina, 586-2703)**

Background: The City of Milpitas manages numerous computer applications that were developed by various vendors to support the business needs of the City. These systems typically require an active software license and an annual support services fee. The terms of these services vary but for the most part correlate with the City's fiscal year. The following vendors' software license and support services will be expiring prior to June 30, 2006 and require renewal in order to continue to use the computer application.

Granicus for Web Streaming

In fiscal year 2003/04, the City of Milpitas implemented a system to provide live web video streaming of City Council Meetings, Planning Commission Meetings and Special City Events. The system includes licensed software and maintenance support provided by Granicus, the vendor of the streaming media software. Maintenance and support of the system are provided through the renewal of the annual fee of \$9,000.00.

TriTech Software Systems

In fiscal year 2005/06 the City of Milpitas implemented the new Computer Aided Dispatch (CAD) system that provides support for the Police and Fire Departments. The system includes a high-end redundant computer server that controls all of the CAD applications. Maintenance support is provided by the developers of the CAD system which is required 24 hours a day, 7 days a week. Maintenance and support of the system are provided through the renewal of the annual fee of \$16,970.29.

Recommendation: Authorize the City Manager to approve the payment of the annual software support and maintenance fees to Granicus for Web Streaming City Council and Planning Commission Meetings in the amount of \$9,000 and Tritech for the maintenance of the Stratus Server in the amount of \$16,970.29. In FY 2005-06, there are sufficient funds in the Information Services Operating budget for this request.

* **34. Approve Renewal of Annual Software Support and Maintenance Fees with Various Vendors through June 2007 (Staff Contact: Terry Medina, 586-2703)**

Background: The City of Milpitas manages numerous computer applications that were developed by various vendors to support the business needs of the City. These systems typically require an active software license and an annual support services fee. The terms of these services vary but for the most part correlate with the City's fiscal year. The following vendors software license and support services will be expiring on or around June 30, 2006 and require renewal in order to continue to use the computer application.

Actuate Corporation for Finance System Tracking and Reporting

In fiscal year 1997/98, the City of Milpitas implemented a new Finance system that supported the financial tracking and reporting needs of the City. The system includes licensed software and maintenance support provided by Cayenta, the vendor of the financial application. Additional reporting capabilities are provided through the Actuate Corporation software. Maintenance and support of the reporting system are provided through the renewal of the annual fee of \$16,970.29.

CompuDyne Public Safety & Justice Inc.

In fiscal year 1996/97 the City of Milpitas implemented a new Police Records Management System (RMS). The system was upgraded in 2000 for Y2K compliance as part of the overall

Enhanced Public Safety Capital Improvement Program (CIP). The system includes licensed software and maintenance support provided by CompuDyne, the vendor of the Police Records Management System. Maintenance and support of the system are provided through the renewal of the annual fee of \$37,454.

TriTech Software Systems

In fiscal year 2003/04 the City of Milpitas approved an agreement with TriTech Software Systems for the provision of hardware, software and implementation services for a new Computer Aided Dispatch (CAD) System. The system includes licensed software and maintenance support provided by TriTech Software Systems. Maintenance and support of the system are provided through the renewal of the annual fee of \$87,440.

Recommendation: Authorize the City Manager to approve the payment of the annual software support and maintenance fees to Actuate Corporation for the Finance System tracking and reporting in the amount of \$16,970.29, CompuDyne Public Safety & Justice Inc. for the Police Records Management System in the amount of \$37,454 and to TriTech Software Systems for the Computer Aided Dispatch System in the amount of \$87,440. There are sufficient funds in the Information Services Operating budget for this request in the next Fiscal Year 2006-07.

XXII. ADJOURNMENT

NOTE: NO CITY COUNCIL MEETINGS IN JULY

**NEXT REGULARLY SCHEDULED COUNCIL MEETING
TUESDAY, AUGUST 1, 2006, AT 7:00 P.M.**